

# U.K. manufacturing, jobs gain

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LONDON—The British manufacturing sector had its strongest month in more than 15 years in April as the weak pound boosted exports, while the jobs market continued to improve, surveys showed.

But the good news for the U.K. economy is unlikely to give much of a boost to Prime Minister Gordon Brown's prospects in Thursday's election. Most voters appear to be focusing on the cuts in spending and increases in taxes that will follow the vote, whoever wins.

"Buoyant numbers from across Europe, the U.K.'s largest market, provide some confidence that together with a weaker exchange rate, the recovery across the sector is looking more sustainable," said Lee Hopley, chief economist for EEF, the manufacturers' organization. "However, the outcome of the election and the market reaction to it remain the big unknown on the horizon."

The Markit/Chartered Institute of Purchasing and Supply purchasing managers index for manufacturing soared to 58.0 in April from March's revised 57.3 and ahead of economists' 57.5 forecast. "Manufac-

turers reported a flying start to the second quarter," said Rob Dobson, senior economist at Markit.

Export orders rose by the fastest pace since records for the subindex began in January 1996, lifted by orders from China, mainland Europe, the Middle East, North America and Scandinavia, the survey showed.

The strong rise in orders led to a record increase in backlogs of work as well as a third straight rise in employment in the sector. The number of manufacturing jobs grew by the fastest rate since February 2007.

That increase in employment was echoed in the KPMG and Recruitment and Employment Confederation's monthly jobs report. "The U.K. jobs market is continuing on the road to recovery, albeit at a slower pace than [in March]," said Bernard Brown, partner and head of business services at KPMG.

Data from the Bank of England supported the positive view of the manufacturing data. The bank's preferred measure of broad money supply marked gains of 1.1% from March and 5.9% from April 2009.

—Paul Hannon  
contributed to this article.

